

MAY 20 1975 -4 25 PM

AGREEMENT

INTERSTATE COMMERCE COMMISSION

AGREEMENT dated as of the 1st day of April, 1975, by and between NORTH AMERICAN CAR CORPORATION, a Delaware corporation (herein "NAC"), and NORTH AMERICAN CAR (CANADA) LIMITED, an Ontario corporation (herein "Limited").

W I T N E S S E T H:

WHEREAS, NAC will cause a total of \$25,000,000 principal amount of its Equipment Trust Certificates due November 15, 1983, (the "Trust Certificates") to be issued pursuant to the provisions of an Equipment Trust Agreement (the "Trust Agreement") dated as of March 1, 1975, by and between United States Trust Company of New York, Trustee (the "Trustee") and NAC, and will unconditionally guarantee the Trust Certificates by endorsement; and

WHEREAS, the Trust Agreement provides for assignment and transfer to the Trustee as security for the Trust Certificates of certain railroad cars (the "Trust Equipment"), including the railroad cars (the "Canadian cars") described in Schedule A hereto attached and by reference incorporated herein; and

WHEREAS, the proceeds of the sale of the Trust Certificates and other money held by the Trustee can be paid by the Trustee to NAC pursuant to the Trust Agreement only when the Trust Equipment has been assigned and transferred by NAC to the Trustee free from all liens and encumbrances except the right of NAC to a lease of the Canadian cars from the Trustee and the right of NAC to grant subleases, all as set forth in, and subject to the Trust Agreement; and

WHEREAS, Limited is a wholly-owned subsidiary of NAC and NAC provides financing to Limited and otherwise assists Limited in the conduct of its business; and

WHEREAS, the interests of both NAC and Limited require that NAC consummate the borrowing of said \$25,000,000 in accordance with the terms of the Trust Agreement.

NOW, THEREFORE, in consideration of the matter hereinabove recited and of the mutual covenants of NAC and Limited hereinbelow set forth:

1. Limited hereby sells, assigns, transfers, sets over and delivers to NAC all of its right, title and interest in and to the Canadian cars, to have and to hold the said cars unto NAC and its successors and assigns forever. Limited warrants and guarantees that the title to the Canadian cars hereby conveyed and transferred to NAC is free and clear from all liens and encumbrances (including leasehold interests) except rights granted by Limited to customers under car leasing agreements and except liens and encumbrances, if any, created by NAC. Limited further warrants and guarantees that the rights of customers in the Canadian cars have in every case been subordinated to the rights of the Trustee under the Trust Agreement.

2. NAC hereby leases the Canadian cars to Limited for a term of seven (7) years from the date hereof solely for the use in the normal course of Limited's business for furnishing cars to shippers and railroads.

3. During the term of the above lease Limited, at its own cost and expense, will (a) maintain and keep each of the Canadian cars in good order and repair, unless and until it becomes worn out, unsuitable for use, lost or destroyed; and (b) comply with all reasonable requests of NAC with respect to labelling or marking said cars and (c) shall cause each sublease of said cars to contain provisions similar to those provisions required in leases from NAC to its sublessees under the provisions of Section 5.09 of the Trust Agreement with appropriate changes to indicate that Limited is the Lessee of such cars from NAC.

4. When the Trust Certificates and the interest thereon shall have been fully paid and all obligations of NAC under the Trust Agreement have been fully performed and title to the Trust Equipment has passed to and vested in NAC pursuant to the Trust Agreement, the above lease shall terminate and NAC shall thereupon execute and deliver to Limited such instruments as may be reasonably requested by Limited in order to vest in Limited title and ownership of all of the Canadian cars which are then in existence and title to which shall have vested in NAC as provided in the Trust Agreement.

5. All right, title and interest of Limited in the Canadian cars, as lessee hereunder or otherwise, until title thereto shall have passed to and been vested in Limited pursuant to Section 4 of this Agreement are, expressly subordinated and made subject to all rights of the Trustee under the Trust Agreement. Every sublease or car service agreement made by Limited of or with respect to any Canadian car shall be expressly subordinated and made subject to the rights of the Trustee with respect to such car under the Trust Agreement.

6. Limited shall not assign or transfer, or permit any involuntary transfer or assignment (including, but not by limitation, any transfer or assignment to a receiver or trustee in bankruptcy) of its interest in any of the Canadian cars or in this agreement or in the lease herein contained without the advance written consent of NAC. Limited shall not perform any act which would be or result in a default under the Trust Agreement. It is understood that the cars furnished to Limited under this Agreement and NAC's rights under this Agreement are subject to the terms of the Trust Agreement. Limited agrees that such cars may be stenciled or marked to set forth the ownership of such cars in the name of the Equipment Trustee and that this Agreement and Limited's rights hereunder are and shall at all times be subject and subordinate to any and all rights of the Trustee under the Trust Agreement and that the rentals hereunder have been assigned and may in the future be assigned to the Equipment Trustee; however, until notified to the contrary by the Trustee under the Trust Agreement, Limited is to pay all rentals to the order of NAC. Limited hereby consents to and accepts the assignment under the Trust Agreement. Limited agrees that no claim or defense which Limited may have against NAC shall be asserted or enforced against the Trustee under the Trust Agreement.

7. In the event that any breach of any covenant of Limited contained in this Agreement shall continue for 30 days after written notice thereof by NAC to Limited, NAC shall have the right, at its option, to terminate forthwith the lease herein granted to Limited and to take possession of the Canadian cars free of any claim or interest of Limited hereunder.

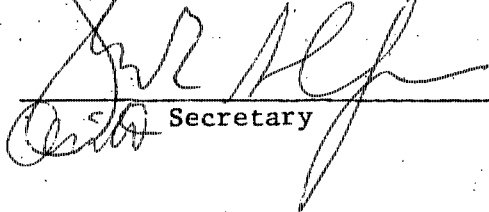
8. The provisions of this Agreement and all rights and obligations of parties hereunder shall be governed by laws of the State of Illinois. Limited, being a body corporate hereby agrees that the Limitation of Civil Rights Act of the Province of Saskatchewan, and amendments thereto, shall have no application to this Agreement or any extensions or renewals thereof, or to the rights, powers or remedies of NAC, the Trustee under the Trust Agreement or of any other person under this Agreement or any extension or renewal hereof, or any agreement collateral hereto.

9. The total lease payments hereunder shall be equal to \$27,789,846.60 multiplied by a fraction the numerator of which is the cost of the Canadian cars being transferred to NAC hereunder and the denominator of which is the cost of the Trust Equipment. The amount so determined shall be divided by seven (7) to arrive at the annual rental the payments of which shall be made on June 1 in each year commencing on June 1, 1975 and continuing to and including June 1, 1981. It is specifically agreed between NAC and Limited that Limited shall not be responsible for the payment of any interest arising under the Trust Certificates.

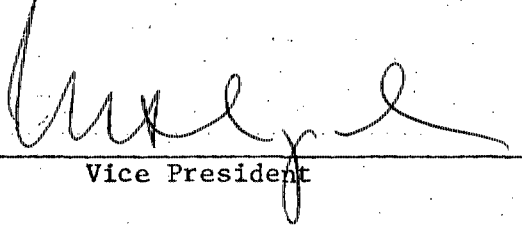
IN WITNESS WHEREOF, the parties hereto have hereunto set  
their hands and seals as of the day and year first above written.

NORTH AMERICAN CAR CORPORATION

ATTEST:

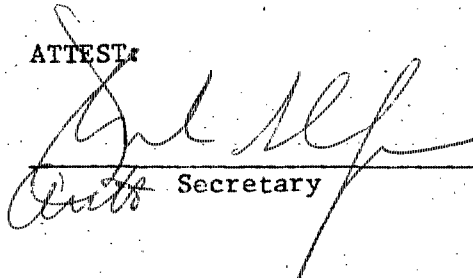
  
Secretary

By

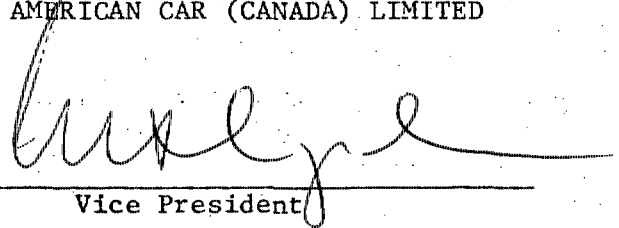
  
Vice President

NORTH AMERICAN CAR (CANADA) LIMITED

ATTEST:

  
Secretary

By

  
Vice President

SCHEDULE A

QUANTITY

INITIALS AND  
SERIAL NUMBERS

9	NCTX 20225 - 20233
6	NCTX 20725 - 20730
3	NCTX 20731 - 20733
2	NCTX 20796 - 20797
1	NCTX 20798
25	NCTX 20800 - 20824
5	NCTX 20825 - 20829
15	NCTX 20830 - 20844
2	NCTX 20845 - 20846
3	NCTX 20847 - 20849
2	NCTX 24191 - 24192
3	NCTX 24412 - 24414
5	NCTX 24415 - 24419
10	NATX 27420 - 27429
4	NATX 27430 - 27432 NCTX 27434
13	NCTX 27436 - 27444 NCTX 27446 - 27449
40	NCFX 69000 - 69039